

CHARTER

An Act

To Incorporate ... the Southern Baptist Convention

Be it enacted by the Senate and House of Representatives of the State of Georgia in General Assembly met, and it is hereby enacted by the authority of the same, that from and after the passing of this act ... that William B. Johnson, Wilson Lumpkin, James B. Taylor, A. Docrey, R. B. C. Howell and others their associates and successors be and they are hereby Incorporated and made a body politic by the name and style of the Southern Baptist Convention with authority to receive hold possess retain and dispose of property either real or personal to sue and be sued and to make all bye-laws, rules and regulations necessary to the transaction of their business not inconsistent with the laws of this state or of the United States, said corporation being created for the purpose of eliciting combining and directing the energies of the Baptist denomination of Christians for the propagation of the gospel any law usage or custom to the contrary notwithstanding.

[Signed:]

Charles J. Jenkins
Speaker of The House of Representatives

Absalom H. Chappell
President of the Senate

Approved December 27th 1845
Geo. W. Crawford
Governor

(Act 203, Georgia Archives RG 37-01-15 Enrolled Acts & Resolutions, Georgia Laws - 1845, Vol. 2-9838 Acts 98-228 pp. 428-431.)

CONSTITUTION

The messengers from missionary societies, churches, and other religious bodies of the Baptist denomination in various parts of the United States met in Augusta, Georgia, May 8, 1845, for the purpose of carrying into effect the benevolent intention of our constituents by organizing a plan for eliciting, combining, and directing the energies of the denomination for the propagation of the gospel and adopted rules and fundamental principles which, as amended from time to time, are as follows:

Article I. The Name: The name of this body is the “Southern Baptist Convention.”

Article II. Purpose: It is the purpose of the Convention to provide a general organization for Baptists in the United States and its territories for the promotion of Christian missions at home and abroad and any other objects such as Christian education, benevolent enterprises, and social services which it may deem proper and advisable for the furtherance of the Kingdom of God.

Article III. Composition: The Convention shall consist of messengers who are members of Baptist churches in cooperation with the Convention. The following subparagraphs describe the Convention’s current standards and method of determining the maximum number of messengers the Convention will recognize from each cooperating church to attend the Convention’s annual meeting.

1. The Convention will only deem a church to be in friendly cooperation with the Convention, and sympathetic with its purposes and work (i.e., a “cooperating” church as that term is used in the Convention’s governing documents) which:

(1) Has a faith and practice which closely identifies with the Convention’s adopted statement of faith. (By way of example, churches which act to affirm, approve, or endorse homosexual behavior would be deemed not to be in cooperation with the Convention.)

- (2) Has formally approved its intention to cooperate with the Southern Baptist Convention. (By way of example, the regular filing of the annual report requested by the Convention would be one indication of such cooperation.)
 - (3) Has made undesignated, financial contribution(s) through the Cooperative Program, and/or through the Convention's Executive Committee for Convention causes, and/or to any Convention entity during the fiscal year preceding.
2. Under the terms above, the Convention will recognize to participate in its annual meeting two (2) messengers from each cooperating church, and such additional messengers as are permitted below.
 3. The Convention will recognize additional messengers from a cooperating church under one of the options described below. Whichever method allows the church the greater number of messengers shall apply:
 - (1) One additional messenger for each full percent of the church's undesignated receipts which the church contributed during the fiscal year preceding through the Cooperative Program, and/or through the Convention's Executive Committee for Convention causes, and/or to any Convention entity; or
 - (2) One additional messenger for each \$6,000 which the church contributed during the fiscal year preceding through the Cooperative Program, and/or through the Convention's Executive Committee for Convention causes, and/or to any Convention entity.
 4. The messengers shall be appointed and certified by their church to the Convention, but the Convention will not recognize more than twelve (12) from any cooperating church.
 5. Each messenger shall be a member of the church by which he or she is appointed.
 6. If a church experiences a natural disaster or calamitous event and, as a result, the church is not qualified to appoint as many messengers as the church could appoint for the Convention's annual meeting immediately before the event, the church's pastor or an authorized church representative may, for no more than the three (3) annual meetings after the event, certify the facts to the registration secretary and obtain the same number of messengers it could have certified for the Convention's annual meeting immediately before the event.

Article IV. Authority: While independent and sovereign in its own sphere, the Convention does not claim and will never attempt to exercise any authority over any other Baptist body, whether church, auxiliary organizations, associations, or convention.

Article V. Officers:

1. The officers of the Convention shall be a president, a first and a second vice president, a recording secretary, a registration secretary, and a treasurer.
2. The officers shall be elected annually and shall hold office until their successors are elected and qualified. The term of office for the president is limited to two (2) years, and a president shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named. The first vice president shall be voted upon and elected after the election of the president has taken place; and the second vice president shall be voted upon and elected after the election of the first vice president has taken place.
3. The president shall be a member of the several boards and of the Executive Committee.
4. The treasurer of the Executive Committee shall be the treasurer of the Convention.
5. In case of death or disability of the president, the vice presidents shall automatically succeed to the office of president in the order of their election.

Article VI. The Boards, Institutions, and Commissions – Their Constitution and Powers:

1. The general boards of the Convention shall be composed as follows, unless otherwise provided in their charters.
 - (1) Twelve (12) members chosen from the city or vicinity of the state in which the board is located, but not more than three (3) local members elected from the same church.
 - (2) One (1) member chosen from each cooperating state; and one (1) additional member from each state having two hundred and fifty thousand (250,000) members, and another additional member for each additional two hundred and fifty thousand (250,000) members in such state.

- (3) The members shall be divided into four (4) groups as nearly equal as possible, and one (1) group shall be elected each year to serve four (4) years. Board members having served two (2) full terms of four (4) years shall not be eligible for re-election until as much as two (2) years have elapsed. This shall also apply to the Executive Committee.
2. The trustees of institutions and directors shall be composed as follows:
 - (1) The trustees or directors shall be elected in keeping with the requirements of the charter of the entity as printed in the 1948 *Book of Reports* or subsequently amended with the prior approval of the Convention.
 - (2) If the composition of the trustees or directors is not determined by charter requirements, the body of trustees or directors shall be composed of one (1) member chosen from each cooperating state and eight (8) local members from the city or vicinity in which the entity is located, but not more than two (2) local members shall be chosen from the same church.
 - (3) Unless it is contrary to the charter requirements of the entity, the trustees or directors shall be divided into four (4) groups as nearly equal as possible and one (1) group shall be elected each year to serve four (4) years. Members having served two (2) full terms of four (4) years shall not be eligible for re-election until as much as two (2) years have elapsed after one has served two (2) full terms.
 - (4) Regardless of charter provisions, no trustee or director shall be eligible for re-election until as much as two (2) years have elapsed after the trustee or director has served two (2) full terms.
3. Terms of Service: No trustee of a board, institution, or commission, or a member of the Executive Committee shall be eligible to serve for more than two consecutive terms. A trustee or member of the Executive Committee who has served more than half a term shall be considered to have served a full term.
4. The governing groups of the entities may elect executive, administrative, finance, investment, and other committees if desired.
5. Each entity shall elect a president, a recording secretary, a treasurer, and such other officers as may be required. The president may be named as treasurer.
6. The compensation of its officers and employees shall be fixed by each entity, but no salaried employee or officer shall be a member of the directors of the entity.
7. Each entity is authorized to adopt its own bylaws.
8. Fifty percent of the members of the governing group shall constitute a quorum of the entity directors for transaction of any business.

Article VII. Duties of Officers of Boards, Institutions, and Commissions: All officers shall be subject to the control and direction of their directors in matters pertaining to the work and obligations of the board, institution, or commission. They shall perform such duties as commonly appertain to such officers.

1. The executive head of each board, institution, and commission shall be responsible to the directors for all the work of the entity and shall carry on the work as the directors may direct.
2. The recording secretary of each entity shall keep a record of all meetings of directors, if not otherwise provided for, and shall keep the records in fireproof safes, vaults, or files.
3. The treasurer of each entity shall follow approved methods of accounting, keep the books, receipt for all monies and securities, deposit all funds with a depository or depositories approved by the directors, and render full statements as required to the directors or to the Convention. The treasurer shall not pay out money except as the directors may order and direct.

Article VIII. Church Membership: Officers of the Convention, all officers and members of all boards, trustees of institutions, directors, all committee members, and all missionaries of the Convention appointed by its boards shall be members of Baptist churches cooperating with this Convention.

Article IX. Missionaries' Qualifications: All missionaries appointed by the Convention's boards must, previous to their appointment, furnish evidence of piety, zeal for the Master's kingdom, conviction of truth as held by Baptists, and talents for missionary service.

Article X. Distribution of Funds: The Convention shall have the right to designate only undesignated funds, the right of contributors to the work of the Convention to designate the objects to which their contributions shall be applied being fully recognized.

Article XI. Meetings:

1. The Convention shall hold its meetings annually at such time and place as it may choose.

2. The president may call special meetings with the concurrence of the other officers of the Convention and of the Executive Committee.
3. The Executive Committee may change the time and place of meeting if the entertaining city withdraws its invitation or is unable to fulfill its commitments.
4. The Convention officers, the Executive Committee, and the executive heads of the Convention's boards and institutions acting in a body may, in case of grave emergency, cancel a regular meeting or change the place of meeting.

Article XII. As to Conflict with State Laws: All incorporated entities of the Convention shall be required to comply with the letter and spirit of this Constitution, the Bylaws, and the Business and Financial Plan insofar as they are not in conflict with the statute law of the state in which an entity is incorporated, and nothing herein contained shall be construed to require any such incorporated entity to act and carry on its affairs in conflict with the law of the state of its incorporation. In case any action of any entity of the Convention is found to be a violation of the law of the state of its incorporation, said action shall be reported by that entity to the Convention for appropriate action.

Article XIII. Definition of a State: The District of Columbia shall be regarded as a state for the purpose of this Constitution, the Bylaws, and all actions of the Convention.

Article XIV. Amendments: Any alterations may be made in these Articles at any annual meeting of the Convention by a vote of two-thirds of the messengers present and voting at the time the vote is taken, provided that an amendment shall be so approved by two (2) consecutive annual meetings of the Convention.

BYLAWS

In order to carry out the provisions of the Constitution, the following Bylaws are adopted for the government of the Convention:

1. Convention Session:

- A. The Convention shall open with the Tuesday morning session and continue through Wednesday, holding such sessions as the Committee on Order of Business finds necessary for the conduct of business, except that sufficient time on Wednesday afternoon shall be reserved for seminary luncheons and other necessary meetings.
- B. The Convention sermon and president's message shall be considered as fixed orders at the time designated by the committee on Order of Business.
- C. A messenger may speak in debate for longer than three minutes only with the permission of the Convention granted by a two-thirds vote.
- D. A messenger may introduce a second motion during a business session only if no other messenger is seeking the floor who has not made a motion during that session.

2. Presentation of Outside Causes: Causes other than those provided for in the regular work of the Convention may be presented to the Convention upon authority of officers of the Convention in conference with the Committee on Order of Business in such ways and at such times as may be dictated by the courtesies of the case and the necessities of the program.

3. Convention Site:

- A. No city shall be considered as a meeting place for the Southern Baptist Convention in which there is a considerable distance between the available hotels and the Convention hall.
- B. No meetings other than the Convention services shall be held in the Convention hall during the sessions of the Convention. Every service held in the Convention auditorium shall be under the direction of the Committee on Order of Business.

4. Exhibits: All exhibits of every description shall be rigidly excluded from those parts of the place of meeting where the people visiting the exhibits will disturb the proceedings of the Convention, their locations to be determined by the Executive Committee or its agent. The Executive Committee of the Convention shall have exclusive control of all exhibit space.

5. Book of Reports:

- A. Copy for reports and recommendations to the Convention shall be submitted to the recording secretary by March 1, unless circumstances beyond the control of the reporting entity or committee make it impossible.

B. Recommendations of entities and committees of the Convention may not be voted upon until the recommendations have been printed in the *Book of Reports* or the *Convention Bulletin*. The recording secretary is authorized to provide the Baptist Press and other interested parties, upon their request, copies of recommendations requiring Convention action.

6. **Convention Annual:** The *Convention Annual* containing reports and actions of the Convention and other pertinent material shall be published as soon as possible after the meeting of the Convention and shall be made available without charge to all active pastors and denominational agents.

7. **Bulletin:**

A. The Executive Committee of the Convention shall have printed each day a sufficient number of brief reports, or bulletins, of the Journal of Proceedings, reporting specifically matters of business proposed and acted upon, including the names of committees appointed, reports of the committees, and such business as may be transacted and carried over to the following day, also including a list of the titles or subjects of the resolutions presented and the names of the persons presenting them.

B. Such report, or bulletin, shall not include speeches or addresses or any comment thereon, a photograph, or any personal reference to any messenger of the Convention, but shall be only a resume of the business transacted during that day.

8. **Messenger Credentials and Registration:**

A. Each person elected by a church cooperating with the Southern Baptist Convention as a messenger to the Southern Baptist Convention shall be registered as a messenger to the Convention upon presentation of proper credentials. Credentials shall be presented by each messenger, in person, at the Convention registration desk and shall be in the following form:

(1) A completed, properly authorized, official Southern Baptist Convention registration document, certifying the messenger's election in accordance with Article III. Composition, of the Constitution of the Southern Baptist Convention; but if the messenger does not have the messenger registration document,

(2) A letter from the messenger's church, signed by the pastor, clerk or moderator of the church, certifying the messenger's election in accordance with Article III. Composition, of the Constitution of the Southern Baptist Convention; or

(3) Some other document (which may include a fax, e-mail, or other physical or electronically transmitted document) from the messenger's church which is deemed reliable by the Credentials Committee or qualifies under guidelines approved by the registration secretary and the Credentials Committee. -

Messengers registered in accordance with this section shall constitute the Convention.

B. The president of the Convention, in consultation with the vice presidents, shall appoint, at least thirty (30) days before the annual session, a Credentials Committee to serve at the forthcoming sessions of the Convention. This committee shall review and rule upon any questions which may arise in registration concerning the credentials of messengers. Any such ruling may be appealed to the Convention during business session. Any contention arising on the floor concerning seating of messengers shall be referred to the committee for consideration and the committee shall report back to the Convention.

C. The registration secretary shall be at the place of the annual meeting at least one (1) day prior to the convening of the first session of the Southern Baptist Convention for the purpose of opening the registration desk and registering messengers. The registration secretary also shall convene the Credentials Committee at least one day prior to the annual meeting and shall assist the committee in reviewing questions concerning messenger credentials. The registration secretary shall report to the Convention the number of registered messengers.

9. **Address of Welcome:** There may be one (1) address of welcome limited to ten (10) minutes and one (1) response thereto limited to ten (10) minutes.

10. **Election of Officers and Voting:**

A. The president, the first and second vice presidents, and the secretaries shall be elected at the Convention, their terms of office to begin at the final adjournment.

B. Election of officers shall be by ballot, provided however that if there is only one (1) nomination, and no other person desires to nominate, the registration secretary or anyone designated for the purpose may cast the ballot of the Convention. If an officer does not receive a majority of votes cast on the first ballot, subsequent

ballots shall carry the names of those who are included in the top 50 percent of the total votes cast in the previous ballot.

- C. Nominating speeches for officers of the Convention shall be limited to one (1) address of not more than three (3) minutes for each nominee.
- D. The president, in consultation with the registration secretary, shall appoint tellers. The tabulation of any vote by the tellers or otherwise (such as by electronic means) shall be under the supervision of the registration secretary. The president or registration secretary shall announce election and voting results to the Convention as soon as practicable.
- E. Any materials, instructions, and/or devices necessary to vote shall be made available to the messengers.
- F. No proxy voting is permitted. All propositions, decisions, and choices shall be by a majority vote of the messengers present and voting in person, except where provisions have been made for a greater than majority vote. Except for officer elections, votes may be taken by ballot, by voice, by rising, by show of hands, by common consent, or by some other acceptable method. "Ballot" shall include electronic voting that protects the integrity of the voting process and provides for messengers' votes to remain confidential.

11. Parliamentary Authority and Parliamentarians: The parliamentary authority of the Southern Baptist Convention shall be *Robert's Rules of Order* (latest revised edition). The Convention president, in conference with the vice presidents, shall select a chief parliamentarian and assistant parliamentarians, as necessary, to advise the presiding officers of the Convention on matters of parliamentary procedure. The chief parliamentarian shall be a person of experience and knowledge, sufficient to qualify him or her to serve as parliamentarian to the Southern Baptist Convention, and he or she shall be certified by the American Institute of Parliamentarians and/or the National Association of Parliamentarians. It shall be the responsibility of the president and treasurer of the Executive Committee of the Southern Baptist Convention to sign, on behalf of the Executive Committee, any contracts or letters of agreement related to the services of the chief parliamentarian.

12. Ministry Leaders: Leaders of Southern Baptist Convention entities shall be admitted to the Convention sessions and shall be authorized to serve as resource persons for discussion of those matters which affect their areas of ministry responsibility.

13. Memorial Services: The Committee on Order of Business is instructed to arrange for any memorial service to be held during the Convention.

14. Entities and Auxiliary of the Convention:

- A. The entities of the Convention are as follows:
 - (1) General Boards: The International Mission Board of the Southern Baptist Convention, Richmond, Virginia; The North American Mission Board of the Southern Baptist Convention, Inc., Alpharetta, Georgia; LifeWay Christian Resources of the Southern Baptist Convention, Nashville, Tennessee; GuideStone Financial Resources of the Southern Baptist Convention, Dallas, Texas.
 - (2) Institutions: The Southern Baptist Theological Seminary, Louisville, Kentucky; The Southwestern Baptist Theological Seminary, Fort Worth, Texas; New Orleans Baptist Theological Seminary, New Orleans, Louisiana; Golden Gate Baptist Theological Seminary, Mill Valley, California; The Southeastern Baptist Theological Seminary, Inc., Wake Forest, North Carolina; Midwestern Baptist Theological Seminary, Inc., Kansas City, Missouri.
 - (3) Commission: The Ethics and Religious Liberty Commission of the Southern Baptist Convention, Nashville, Tennessee.
- B. Auxiliary: Woman's Missionary Union, Birmingham, Alabama, is an auxiliary of the Convention.

15. Committee on Nominations:

- A. The Committee on Nominations shall be composed of two (2) members from each qualified state, who shall be elected by the Convention. Nominations for each position shall be made by the Committee on Committees. The Committee on Committees shall make its recommendation of nominees to the Convention in the form of a single motion to elect all those persons it recommends for the Committee on Nominations. The motion may be amended but no messenger shall be allowed to propose more than one (1) person at a time for election. When adopted by the

Convention, the motion of the Committee on Committees, as amended, shall constitute the election of the persons named in the motion to the Committee on Nominations. One (1) person nominated to the Committee on Nominations from each state shall be a person not employed full time by (or retired from) a church or denominational entity. Persons nominated to the Committee on Nominations shall have been resident members for at least three (3) years of Southern Baptist churches either geographically within the states or affiliated with the conventions of the states from which they are elected.

- B. The Committee on Nominations thus elected shall prepare its report through the year, carefully following the provisions of the Constitution and Bylaws of the Convention and the documents of the respective Convention entities, and shall recommend to the next Convention the following:
 - (1) Members of the Executive Committee of the Southern Baptist Convention
 - (2) Directors/trustees of the boards of the Convention
 - (3) Trustees of the institutions of the Convention
 - (4) Trustees of the commissions of the Convention
 - (5) Members of any standing committees
- C. Excluding the president and recording secretary of the Convention, and the president of Woman's Missionary Union, and unless otherwise specifically permitted or required by these bylaws, no person shall be eligible to be elected or appointed to serve simultaneously on more than one of the boards, institutions, commissions, or committees of the Convention, or as a member of the Executive Committee, and no person shall be elected or appointed to serve on one of these bodies if that person's spouse has been elected or appointed to serve on one of these bodies for a time which would be simultaneous.
- D. The committee shall not recommend a fellow committee member or the member's spouse or a member of the previous year's Committee on Committees or the member's spouse for a first term on an entity.
- E. The committee shall recognize the principle that the persons it recommends shall represent the constituency of the Convention, rather than the staff of the entity.
- F. No person and no person's spouse shall be eligible to serve on the board of any one of the above entities (1) from which the person receives, directly or indirectly, any form of payment or financial benefit except for reimbursements for reasonable and authorized expenses incurred in the performance of the duties of a trustee, or, (2) which provides funds for which he/she has a duty of administration. When such conditions become applicable, that person or that person's spouse shall be considered as having resigned and such vacancy shall be filled in accordance with established Convention procedure.
- G. All of the above entities shall include both church or denominational employees and those who are not church or denominational employees. Not more than two-thirds of the members of any of these entities shall be drawn from either category. Where a person was serving as a church or denominational employee at the time of retirement, he/she should be counted as a church or denominational employee after retirement as far as the work of the Committee on Nominations is concerned.
- H. Any person elected to serve on any of the boards, institutions, commissions, or the Executive Committee, shall at the time of such election have been continuously a resident member for at least the preceding three (3) years of a church or churches which were in those years in friendly cooperation with the Convention and sympathetic with its purposes and work, and, where representation is by qualifying states, which were either geographically within the state or affiliated with the convention of the state from which the person is elected. Any person who is a member of one of these entities shall be considered as having resigned when the person ceases to be a resident member of a church either geographically within the state or affiliated with the convention of the state from which he/she has been elected as a representative.
- I. No person who has served on the board of an entity or on the Executive Committee shall be eligible to serve on the board of any entity or on the Executive Committee until two years after the conclusion of his or her term of office, except that a person may be re-elected to an authorized successive term or serve by virtue of a separate office.
- J. The report of the Committee on Nominations shall be released to Baptist Press no later than 45 days prior to the annual meeting of the Convention and shall be published in the first day's *Bulletin*. Persons desiring to amend the report of the Committee on Nominations are encouraged to publicize the nature of their amendment sufficiently in advance of the annual meeting of the Convention to allow information concerning the amendment to be made available to Convention messengers.
- K. The Committee on Nominations shall make its recommendation to the Convention in the form of a motion to elect those persons it recommends for specific terms of office. The motion may be amended but no messenger shall be allowed to propose more than one (1) person at a time for election. When adopted by the Convention, the motion of the Committee on Nominations, as amended, shall constitute the election of the persons named in the motion to their respective terms of office.

16. Vacancies on Boards: All entities shall report all vacancies on the entities to the Committee on Nominations immediately on the occurrence of such vacancies. Any entity's board may make interim appointments only when authorized by its charter. Any such appointment shall only be of a person who is eligible and qualified both to be elected by the Convention and to serve according to the Constitution and Bylaws of the Southern Baptist Convention.

17. Fraternal Messengers:

- A. The Convention shall send a fraternal messenger to the annual sessions of the American Baptist Churches and the National Baptist conventions. The expenses of the fraternal messengers incurred while in attendance upon the conventions herein named shall be included in the items of Convention expenses.
- B. The fraternal messenger to the American Baptist Churches shall be the president of the Southern Baptist Convention at the time of the meeting of the American Baptist Churches, and he shall also be the fraternal messenger to the other National Baptist conventions named. If the president is unable to attend, he shall be authorized to name another officer as a substitute.
- C. The fraternal messengers to other Baptist bodies or other religious bodies may be elected by the Convention as occasion may require. The expenses of such messengers shall be borne by the messengers themselves unless specifically provided for by the Convention.

18. The Executive Committee:

- A. The Executive Committee shall consist of the president and the recording secretary of the Convention, the president of the Woman's Missionary Union, and one (1) member from each cooperating state of the Convention subject to the provisions of Section 30 of the Bylaws. When the membership of cooperating Baptist churches in a given state shall have reached two hundred and fifty thousand (250,000), there shall be elected an additional member of the Executive Committee, one (1) of whom shall be a person not employed full time by a church or denominational entity; and, further, there shall be an additional member for each two hundred and fifty thousand (250,000) members providing that the number of members from each cooperating state shall be limited to five (5); and, further, that not more than two-thirds shall be drawn from either persons employed full time by a church or denominational entity or persons not employed full time by a church or denominational entity. No salaried official of the Convention or of any of its entities or any member of any board or board of trustees or commission of the Convention or any salaried official of any state convention or of any entity of a state convention may be a member of the Executive Committee, but these restrictions shall not apply in case of the president, the president of Woman's Missionary Union, and the recording secretary of the Convention.
- B. Members shall be divided into four (4) groups as nearly equal as possible and shall hold office for four (4) years, one-fourth going out of office each year.
- C. A majority of the Committee shall constitute a quorum.
- D. The Executive Committee shall elect a president, who shall also be treasurer, and other officers and staff who may be needed. All the main executive officers and all the office employees who handle funds shall be bonded, and no salaried officer or employee shall be a member of the Executive Committee.
- E. The Executive Committee shall be the fiduciary, the fiscal, and the executive entity of the Convention in all its affairs not specifically committed to some other board or entity.

The Executive Committee is specifically authorized, instructed, and commissioned to perform the following functions:

- (1) To act for the Convention ad interim in all matters not otherwise provided for.
- (2) To be named in transfers of real and personal property for the use and benefit of the Convention either by deed, conveyance, will, or otherwise and to affix the seal of the Convention to all approved transactions; and to take title to and hold or to convey title to all properties, real or personal, and all funds, monies, and securities that are donated or transferred or left by will to or for the use of the Convention. As to such properties, funds, monies, and securities as the Executive Committee shall hold and not convey title to, the Executive Committee shall be custodian of such, holding them in trust for the Convention to be managed, controlled, and administered by the Executive Committee in accordance with the direction, general or specific, of the Convention. Rules governing the handling of securities set out in Article VII, Section 3, of the Constitution shall be observed by the Executive Committee.
- (3) To receive and receipt for all current funds of the Convention including all undesignated cooperative missionary, educational, and benevolent funds and all current special or designated funds for missionary, educational, and benevolent purposes which may be contributed by individuals, churches, societies, corporations, associations, or state conventions; and to disburse all undesignated funds, according to the percentages fixed by the Convention and all the designated funds according to the stipulations of the donors. The Executive Committee shall keep the accounts of all inter-entity groups and shall disburse their funds on requisition of the properly constituted officers of the inter-entity organization.

- (4) To recommend to the Convention a time and place and to have oversight of the arrangements for the meetings of the Convention, with authority to change both the time and place of the meetings in accordance with the provisions of Article XI, Section 3, of the Constitution.
 - (5) To act in an advisory capacity on all questions of cooperation among the different entities of the Convention, and among the entities of the Convention and those of other conventions, whether state or national.
 - (6) To present to the Convention each year a consolidated and comprehensive financial statement of the Convention and all its entities, which statement shall show the assets and liabilities of the Convention and all its entities, and all the cash and other receipts of the year.
 - (7) To present to the Convention a comprehensive budget for the Convention and for all its entities, which budget shall include the budgets of all the entities of the Convention whether or not they receive Cooperative Program funds, as reviewed by the Executive Committee. The Executive Committee shall recommend the amount of Convention funds which may be allocated to each cause. It shall not recommend any direct allocation of funds for any entity or institution for which the Convention does not elect trustees or directors.
 - (8) To conduct the general work of promotion and the general work of publicity for the Convention in cooperation with the entities of the Convention. The Executive Committee shall provide a Convention relations service and a Convention news service to interpret and publicize the overall Southern Baptist ministry. These services shall be available to support the work of all Convention entities and ministries.
 - (9) To maintain open channels of communication between the Executive Committee and the trustees of the entities of the Convention, to study and make recommendations to entities concerning adjustments required by ministry statements or by established Convention policies and practices, and, whenever deemed advisable, to make recommendations to the Convention. The Executive Committee shall not have authority to control or direct the several boards, entities, and institutions of the Convention. This is the responsibility of trustees elected by the Convention and accountable directly to the Convention.
 - (10) To make its own bylaws in keeping with the Constitution and Bylaws of the Convention in carrying out these instructions to the Executive Committee; to hold meetings whenever deemed necessary; to make reports of all meetings to the Convention; to notify all the boards, entities, and institutions of the actions of the Convention and to advise with them as to the best way of promoting all the interests of the Convention.
 - (11) To derive, in accordance with the action of the Convention in Atlanta in 1944, the expenses of the Executive Committee from the Operating Budget of the Convention specifically established for this purpose and formally approved by the Convention.
 - (12) To utilize an appropriate report format which will enable the Executive Committee to obtain from the entities adequate and comparable information about ministry plans, accomplishments, and financial data.
 - (13) To maintain an official organization manual defining the responsibilities of each entity of the Convention for conducting specific ministries and for performing other functions. The manual shall cite the actions of the Convention that assigned the ministries and other functions to the entity. The Executive Committee shall present to the Convention recommendations required to clarify the responsibilities of the entities for ministries and other functions, to eliminate overlapping assignments of responsibility, and to authorize the assignment of new responsibilities for ministries or functions to entities.
 - (14) To send copies of the minutes of the Executive Committee to the heads of all Southern Baptist Convention entities, and copies of the minutes of all entities shall be sent to the office of the Executive Committee.
- 19. Committee on Committees:** A Committee on Committees, composed of two (2) members from each qualified state or defined territory, shall be appointed by the president, in conference with the vice presidents, of whom one (1) shall be designated as chairperson. Persons named to the Committee on Committees shall have been resident members for at least three (3) years of Southern Baptist churches either geographically within the states or affiliated with the conventions of the states from which they are appointed. Members so named shall be notified by the president in writing, at least 45 days before the meeting of the Convention. Their names shall be released by the president to Baptist Press no later than 45 days prior to the annual meeting of the Convention, and their names shall be published in the first issue of the Convention Bulletin. The president may fill any vacancies on the committee when those originally named do not attend the Convention. This committee shall nominate all special committees authorized during the sessions of the Convention not otherwise provided for. All special Convention committees shall transfer, upon their discharge, all official files to the Executive Committee of the Southern Baptist Convention.
- 20. Committee on Resolutions:** At least seventy-five (75) days in advance of the Convention, the president, in conference with the vice presidents, shall appoint a Committee on Resolutions to consist of ten (10) members, any

two (2) of whom shall have served as Committee on Resolutions members during the prior year, and any three (3) of whom shall be members of the Executive Committee. One of the Committee members shall be designated as chairperson. Members so named shall be notified by the president in writing at least 75 days before the annual meeting of the Convention. The names of the members of the Committee on Resolutions shall be released by the president to Baptist Press no later than 75 days prior to the annual meeting of the Convention, and their names shall be published in the first issue of the Convention Bulletin.

In order to facilitate thorough consideration and to expedite the Committee's work, all proposed resolutions shall:

- 1) Be submitted to the Committee for review and consideration as early as April 15th, but no later than fifteen (15) days prior to the next SBC annual meeting,
- 2) Be addressed to the Committee on Resolutions in care of the Executive Committee of the Southern Baptist Convention at its registered or e-mail address (electronic copies are preferred),
- 3) Be typewritten, titled, and dated,
- 4) Be accompanied by a letter from a church qualified to send a messenger to the annual meeting of the Southern Baptist Convention certifying that the person submitting the resolution is a member in good standing, and
- 5) Include complete contact information for both the person submitting it, and his or her church.

No person may submit more than three resolutions per year. The Committee on Resolutions shall prepare and submit to each annual meeting of the Convention only such resolutions the Committee recommends for adoption. Such resolutions may be based upon proposals received by the Committee or may originate with the Committee. Only resolutions recommended by the Committee may be considered by the Convention, except the Convention may, by a 2/3 vote, consider any other resolution properly submitted to the Committee.

A list of the titles of all properly submitted proposed resolutions shall be printed in the Convention *Bulletin*. The list shall include the name and city of each person properly submitting a resolution, and the disposition of each proper submission.

- 21. Committee on Order of Business:** The Committee on Order of Business, a standing committee, shall consist of seven (7) members – the president of the Convention and six (6) other members, two (2) of whom shall be elected each year for a term of three (3) years and two (2) of whom shall be persons not employed full time by a church or denominational entity. No member of the committee can succeed himself or herself. The committee shall suggest an order of business for the next meeting of the Convention. It shall provide periods of time during the Convention for the introduction of all matters requiring a vote not scheduled on the agenda, and, when introduced (unless the Convention then gives its unanimous consent for its immediate consideration) shall fix times for the consideration of the same. All such matters of business shall be introduced to the Convention by the end of the afternoon session of the first day of the annual meeting of the Convention. When practicable it shall give notice in the Convention *Bulletin* of the substance of the motion or resolution and the time for its consideration. If unable to give notice in the *Bulletin*, it shall cause announcement to be made from the floor of the Convention of the same, action thereon to be taken at the subsequent session of that Convention. The committee shall recommend to the Convention a preacher for the succeeding Convention sermon and the director of music. The director of music shall be elected annually and the term of office is limited to two (2) years. The director of music shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named.
- 22. Notification of Committees:** Within thirty (30) days after the Convention adjourns, the recording secretary shall notify the members of all committees of their appointment and all chairpersons of their position and furnish each one a list of that committee. The recording secretary shall also notify all board members, trustees of institutions, and commission members of their appointment.
- 23. The Great Commission Council:** The Great Commission Council shall serve as the organization through which the various entities and the auxiliary of the Convention will correlate their work. The membership of the Great Commission Council shall be composed of the chief executives of The Executive Committee of the Southern Baptist Convention, the auxiliary of the Convention, and the entities named in Bylaw 14.
 - A. The work of the Council shall be in keeping with its prescribed functions. It will neither launch nor execute ministries; it will formulate no policies, except those which govern its own activities. Its chief purpose is that of consultation, communication, and cooperation. The scope of its work will be that of:
 - (1) finding ways of mutual re-enforcement in assigned responsibilities and distinctive ministries;
 - (2) considering and seeking to avoid overlapping endeavors and competitive ministries;
 - (3) considering the means for helping the churches fulfill their divine mission in Bible teaching, evangelism, world missions, stewardship, Christian training, education, and Christian social service;
 - (4) finding ways for effective cooperation in promoting the total work of the Southern Baptist Convention;
 - (5) considering the significant factors affecting the work and witness of the denomination; and

- (6) seeking to find the means through which the power of the Christian gospel may be comprehensively and effectively applied to the ends of the earth.

B. In the matter of relationships:

- (1) the Council is not, itself, an entity of the Convention;
- (2) it has no authority over the several entities;
- (3) its decisions are not binding on the entities, since the boards and commissions must retain the authority to reach the decisions required to carry out their own responsibilities;
- (4) its relationship to the entities is purely advisory;
- (5) the Council does not report formally either to the Convention or the Executive Committee, nor does the Convention refer matters directly to the Great Commission Council;
- (6) it may receive from and refer to the Executive Committee problems for consideration;
- (7) it is not required to take formal action with regard to matters referred to it by the Executive Committee in serving as a channel of cooperation and correlation relative to the work of the Convention; and
- (8) the Council sustains no direct relationship with state conventions or local churches, but it will strive to be mindful of the needs of the churches as well as the functions and ministries of the several conventions.

24. Ministry Statements: The ministry statements of the entities as approved by the Southern Baptist Convention and published in the 1967 *Annual* and subsequently amended, renamed, or rewritten, and approved by the Convention, express the policy of the Convention with respect to the ministries of the entities of the Convention.

25. New Enterprises and Abolishing of Entities: No new enterprise, involving expenditure of money, shall be authorized by the Convention except upon favorable action by the Convention in two (2) succeeding annual meetings; provided, however, that this restriction shall not apply to a recommendation of an entity of the Convention concerning its own work. No entity shall be discontinued without a majority vote at two (2) successive annual sessions of the Convention.

26. Procedures:

A. *Method of Procedure for Entities:* To facilitate consideration and discussion of the interests of the Convention, the following method of procedure is hereby adopted:

- (1) Printed reports of the boards, institutions, commissions, and standing committees shall be consolidated into the *Book of Reports* for distribution to messengers on their enrollment;
- (2) Reports of all special commissions and standing committees, containing recommendations for the Convention's action, shall be included in the *Book of Reports*; and
- (3) All recommendations of each board, institution, commission, special committee, and standing committee shall be printed together at the end of its report before they may be considered by the Convention. In case any entity or committee shall be unable to comply with this requirement, its recommendation shall be printed in the Convention *Bulletin* before consideration and action by the Convention. Recommendations by an entity which are not published in the *Book of Reports* or the Convention *Bulletin* shall, when presented to the Convention, be referred to the Executive Committee or to such other committee as the Convention may direct.

B. *Procedure for Motions of Messengers Concerning Entities:* Motions made by messengers dealing with internal operations or ministries of an entity shall be referred to the elected board of the entity for consideration and report to the constituency and to the next annual meeting of the Convention for action with the exception that the Committee on Order of Business may be instructed by a two-thirds vote to arrange for consideration at a subsequent session of the same Convention, subject to provision of Bylaw 21.

On all matters referred by the Convention, entities shall respond in writing at the close of their report in the *Book of Reports* and *Annual*, giving specific information on:

- (1) how the matter referred was considered;
- (2) how it was reported to the constituency; and
- (3) any actions on the matter taken by the entity or action proposed to the Convention.

C. *Limitations:* The last one-third of the time allotted for consideration of every entity report before the Convention shall be reserved for discussion from the floor.

27. Publicity and Press Representative:

- A. Boards, institutions, and special committees dealing with matters of general importance and interest shall have in the hands of the press representative of the Convention, at least one (1) week in advance, copies of digests of their report to be submitted to the approaching Convention.
 - B. The press representative shall cooperate with the representatives of the secular press in furnishing intelligent, accurate, and creditable reports of this Convention while in session.
- 28. Closing of Books:** Entities of the Convention shall close their books and accounts and have them audited as of midnight September 30, or in the case of the seminaries, July 31, or in the case of the International Mission Board and GuideStone Financial Resources, December 31. Supplemental reports for the period between the closing of the books of the entities and the Convention session should be included in the reports to the Convention.
- 29. Participation in Convention Affairs:** To allow participation in the affairs of the Convention, any member of a church who is eligible to be a messenger to the Convention may be appointed teller, a member of the Credentials Committee, a member of the Committee on Resolutions, and/or a member of the Convention's special committees.
- 30. Representation From Qualified States and Territories:**
- A. When the cooperating Baptist churches in a state or defined territory have fifteen thousand (15,000) members, an initial application may be filed for representation on the Executive Committee, the Committee on Committees, and the Committee on Nominations.
 - B. When the cooperating Baptist churches have twenty thousand (20,000) members, an updated application may be filed for representation on the International Mission Board, North American Mission Board, and LifeWay Christian Resources of the Southern Baptist Convention, unless otherwise provided in the Board's charter.
 - C. When the cooperating Baptist churches have twenty-five thousand (25,000) members, an updated application may be filed for representation on GuideStone Financial Resources, the commissions, and institutions, unless otherwise provided in the commission's or institution's charter, and on the standing committees of the Convention, all as provided by the Bylaws of the Convention.
 - D. The application in each instance shall be filed with the Executive Committee, through its president, prior to its February meeting. The application shall contain information as specified by the Executive Committee.
 - E. Upon receiving the initial application, the Executive Committee shall investigate all matters pertaining to the request and make a recommendation to the Southern Baptist Convention at its next annual meeting. If the recommendation of the Executive Committee is favorable to the application, a copy of the recommendation shall be forwarded to the president of the Southern Baptist Convention and the chairman of the Committee on Committees prior to the next annual meeting of the Convention.
 - F. Upon receipt of the favorable recommendation of the Executive Committee on the initial application in (1) above, the president of the Convention, in conference with the vice presidents, shall appoint two (2) persons from the state or territory to serve as members of the Committee on Committees, and the Committee on Committees shall nominate two (2) persons from the state or territory to serve on the Committee on Nominations, all conditional upon the approval of the application by the Southern Baptist Convention.
 - G. Those elected by the Convention shall be immediately eligible to begin their appropriate terms of service.
- 31. Adoption of Reports:** The adoption of recommendations contained in reports to the Convention shall not bind the Convention on any other matters in the body of the reports; but the Convention reserves the right to consider and amend the body of all reports.
- 32. As to Violation of State Laws:** All incorporated entities of the Convention shall be required to comply with the letter and spirit of the Constitution insofar as it is not in conflict with the statute law of the state in which an entity is incorporated, and nothing herein contained shall be construed to require any such incorporated entity to act and carry on its affairs in conflict with the law of the state of its incorporation. In case any action of any entity of the Convention is found to be a violation of the law of the state of its incorporation, said action shall be reported by that entity to the Convention for appropriate action.
- 33. Charters of Entities, Subsidiaries, and Ancillary Organizations:** The charters of all entities of the Convention shall provide that the trustees or directors of such entities be elected by the Convention, and that the charters may not be further amended without the prior consent of the Convention. The charters of all subsidiaries of any entity of the Convention shall provide that they may not be further amended without the prior consent of the Convention or its Executive Committee. No entity of the Convention shall establish a subsidiary corporation or any other legal entity or form for conducting its affairs, nor acquire a controlling interest or greater than a 25% interest in any other corporation or business enterprise, until the Convention or its Executive Committee has approved the same and its governing instruments. An entity of the Convention shall not undertake through a subsidiary or by any other means any action which, if undertaken by the entity itself, would violate the Constitution, Bylaws, or Business and Financial Plan of the Convention.

- 34. Quorum:** The quorum for conducting business during the annual meeting of the Southern Baptist Convention shall be a minimum of 25 percent of those duly registered and seated messengers.
- 35. Trustee Absenteeism:**
- A. Upon the request of any entity, the Convention may remove from office any trustee/director of that entity who has excessive unexcused absences. Following such removal, the Convention shall elect a successor to complete the term of office of the person removed.
 - B. An entity shall give written notice of any request to remove a trustee/director for absenteeism at least one hundred twenty (120) days prior to the meeting of the Convention which shall consider the removal. The notice shall be given to the president of the Convention, the president/chief executive officer of the Executive Committee, the chairman of the Committee on Nominations, and the individual trustee/director whose removal shall be considered.
 - C. If required by state law, an entity shall incorporate this procedure in its charter or bylaws prior to requesting the Convention to remove any trustee.
- 36. Amendments:** The Bylaws may be amended pursuant to Bylaw 21 by a two-thirds majority vote at any time except during the last session of the Convention. Bylaw 14, which lists the entities and auxiliary of the Convention, may be amended by a majority vote of two (2) successive annual meetings.

BUSINESS AND FINANCIAL PLAN

- I. Convention Budget:** Each entity of the Convention shall submit to the Executive Committee for its review:
- A. an itemized estimate of its receipts for the next fiscal year, and
 - B. an itemized estimate of its expenditures for the next fiscal year according to the rule set forth below (See Section II-C) for making operating budgets.
- The Executive Committee shall present to the Convention a budget, which budget shall consist of all the budgets of all the entities which have been submitted to the Executive Committee and reviewed by it, and recommend the amount of Convention funds to be allocated to each cause or entity.
- II. Operating Budgets:**
- A. *Convention Operating Budget* - The Executive Committee shall recommend to the Convention an operating budget which shall include all expenses of the Convention, committees, and other items included in the Convention Operating Budget. The Executive Committee shall also recommend to the Convention the source of these funds.
 - B. *Entities Not Sharing in Table of Percentages* - The entities of the Convention not sharing in the table of percentages for distribution of funds shall be provided for as follows:
 1. Expenses of Standing Committees – The Executive Committee shall approve or recommend to the Convention, after a personal conference or correspondence with chairpersons of standing committees, a sum of money to be appropriated to each of them for the Convention year.
 2. Expenses of Special Committees –
 - a. The expenses incurred by special committees appointed by the Convention to perform duties connected with one or more entities of the Convention shall be borne by the entity or entities concerned on a basis pro rata to receipts unless the expenses are otherwise specifically provided.
 - b. The expenses incurred by special committees which do not directly concern any of the entities of the Convention shall be paid out of the Convention Operating Budget. Unless the amount of expenses is fixed by the Convention, the Executive Committee must agree to the amount to be expended before such expenditure is incurred.
 - c. Itemized accounts of expenses of members of such committees shall be required and approved by the chairperson before the same shall be paid.
 - C. *Entities Sharing in the Direct Allocation* - The entities of the Convention sharing in the direct allocation for the distribution of funds shall make their operating budgets in the following manner:
 1. The current operating budget of the entities of the Convention shall be made on the basis of the current distributable operating allocation, plus any other anticipated receipts which can be substantiated by previous experience, not including wills, bequests, and special gifts for special

purposes; and any debt incurred within the current year shall become a preferred item in the budget of the Convention year immediately following.

2. In making the annual appropriations on the basis set forth, a contingent item shall be set up in the budget according to the needs of the entity.
3. It is understood that an entity may borrow money for reasonable needs, provided, however, that such borrowing shall not exceed the amount of its budget allowance remaining at the time of borrowing, and provided further that if an emergency should arise, additional money may be borrowed on the approval of the Executive Committee of the Convention.

III. Convention Year: The financial affairs of the Convention and all its entities, except those of the theological seminaries, GuideStone Financial Resources, and the International Mission Board, shall be operated on the fiscal year beginning October 1 and closing September 30. The seminaries owned and operated under the authority of the Convention shall use the fiscal year beginning August 1 and closing July 31. GuideStone Financial Resources and the International Mission Board shall use the fiscal year beginning January 1 and closing December 31.

IV. The Disbursing Entity: By agreement, all sums collected in the states for the causes fostered by this Convention will be forwarded at least monthly by each state office to the Executive Committee of this Convention, which shall act as the disbursing agent of this Convention. The Executive Committee shall remit at least weekly to each of the entities of the Convention the funds, distributable and designated, belonging to each entity. The first distribution in each month shall be on the seventh day of the month, or the nearest working day thereafter. The Executive Committee shall make monthly reports of receipts by states, and of disbursements by entities, and shall forward each month copies of these reports to the executives of the entities of the Convention, to the state offices, and to the denominational papers.

V. Distribution of Cooperative Program Receipts: In order that the financial plans and purposes of the Convention may operate successfully, the Convention appeals to its constituents to give to the whole Cooperative Program and to recognize the wisdom and right of the Convention to distribute its receipts from the Cooperative Program, thus assuring an equitable distribution among the entities of the Convention.

VI. Fund Raising Activities:

- A. *Approval of Financial Activities* – No entity of the Southern Baptist Convention shall conduct any type of fund raising activity without the advance approval of the Convention, or its Executive Committee. No advance approval shall be required for the two Convention approved special offerings: Lottie Moon Christmas Offering for International Missions and Annie Armstrong Easter Offering for North American Missions.
- B. *Reporting Fund Raising Activities* – Each Convention entity shall report annually to the Executive Committee of the Southern Baptist Convention on any type of fund raising activity conducted by the entity. The report shall include a summary of the activity, its title, financial goals, structure, cost, and the results of such fund raising during the past year. No report shall be required for the Lottie Moon Christmas Offering for International Missions and the Annie Armstrong Easter Offering for North American Missions.
- C. *Cooperative Program Promotion* – Each Convention entity shall report on its efforts during the year in promoting Cooperative Program missions giving.
- D. *No Financial Appeals to Churches* – In no case shall any Convention entity approach a church for inclusion in its church budget or appeal for financial contributions.

VII. Designated Gifts: The Convention binds itself and its entities faithfully to apply and use such gifts as designated by the donor.

VIII. Trust Funds: Each entity of the Convention is hereby instructed and ordered to keep all trust funds and designated gifts (for they are trust funds) sacred to the trust and designation; that they be kept separate from all other funds of such entity; that they are not to be used even temporarily for any other purpose than the purpose specified; and that such funds shall not hereafter be invested in the securities of any denominational body or entity.

IX. Gift Annuity Agreements: All entities of this Convention writing gift annuity agreements in the future, and the Executive Committee when writing gift annuity agreements on behalf of the Southern Baptist Convention, are encouraged to place the annuity portion of each gift annuity on deposit with the Southern Baptist Foundation or GuideStone Financial Resources of the Southern Baptist Convention and enter into a contractual

agreement with the Southern Baptist Foundation or GuideStone Financial Resources to pay the annuity payments required under the gift annuity agreement. This provision shall not apply to gifts of property, real or personal, the income of which is to go to the donor without further or additional obligation on the part of the entity accepting the gift. The Southern Baptist Foundation and GuideStone Financial Resources of the Southern Baptist Convention shall, when determining the amounts required to fund the annuity portion of any gift annuity agreement, use mortality, interest, and expense rates which are approved or recommended by any appropriate regulatory authority, if any, or which are based on sound actuarial statistics.

- X. Indebtedness/Liability:** An entity or institution shall not create any liability or indebtedness, except such as can and will be repaid out of its anticipated receipts for current operations within a period of three (3) years, without the consent of the Convention or the Executive Committee. In order to obtain such approval, the entity must file a statement showing the source of such anticipated receipts.

Such consent must be likewise obtained for a purchase of properties (directly or indirectly or through ownership of controlling stock in other corporations or otherwise) subject to liens or encumbrances which cannot be repaid out of its anticipated receipts for current operations within a period of three (3) years.

- XI. Capital Fund Allocations:** Capital funds are allocated for the purpose of obtaining, expanding, improving, or maintaining properties owned by entities of the Southern Baptist Convention and essential to implementing entity program assignments.

Capital funds are used in projects which add to the long-range assets of the entity.

In making allocations for capital funds, priority shall be given to those projects which make the greatest contribution to advancing the overall objectives of the Southern Baptist Convention in bringing men to God through Jesus Christ.

Capital funds projects shall cost more than \$5,000 and have a projected life span of more than five (5) years.

Items such as office equipment, furniture replacement, or books shall not be acquired through the capital fund allocation process.

Repairs and maintenance of income-producing property shall be made from earned income. Major repairs to non income-producing property may be considered as being eligible for capital fund allocations.

- XII. Contingent Reserves:** Each entity of this Convention shall set up as soon as possible a reserve for contingencies to provide for deficits that may occur either through decreased receipts or through emergencies or both. The maximum amount of contingent reserve of any entity shall be determined by the entity, subject to the approval of the Convention. Entities shall state on the balance sheets of the annual audits the amounts in Contingent Reserve Funds.

XIII. Financial Report:

- A. *Audit Reports* - The entities of the Convention and the Executive Committee shall close their books and accounts as of the close of business on September 30 of each year, or July 31 in the case of the seminaries, or December 31 in the case of the International Mission Board and GuideStone Financial Resources, and have them audited by an independent certified public accountant (the external auditor) in accordance with auditing standards generally accepted in the United States of America.

Each entity of the Convention shall forward a copy of its external auditor's audit report (or, if more than one, all such reports) to the Executive Committee, as soon as possible after the close of its fiscal year. Additionally, as a part of this annual submission process, each entity shall also submit a statement signed by its chief executive officer and the chief financial officer which affirms that the books and accounts are accurate and complete to the best of the officer's knowledge, and that the officer believes the corporation's internal controls are adequate.

Each entity and the Executive Committee shall appoint a committee of its own trustees to undertake and accomplish duties pertinent to audit reports. These committees shall be appointed, and the trustees serving on the committees shall operate, independent of influence by their corporation's management, and each such committee shall include at least one trustee who is competent by training and experience in fiscal matters. The duties these committees shall perform for their respective entities shall include:

- 1) recommending the appointment of the external auditor,
- 2) studying the external auditor's audit report upon its completion,
- 3) maintaining the independence of the entity's financial auditors,
- 4) reviewing the entity's critical accounting policies and decisions and the adequacy of its internal control systems,

- 5) preserving the integrity of the financial reporting process implemented by management, and
- 6) assuring that the business procedures listed in Article XVII are followed.

As a part of each external auditor's audit report, the external auditor shall prepare for the entity's audit committee a separate letter on the auditing firm's letterhead (the "management letter") in which the external auditor makes any recommendations concerning the entity's financial and accounting policies, processes, internal controls, or other matters. If the external auditor has no recommendations, he should so state in the management letter to the entity's audit committee. The entity's administration shall forward a copy of the management letter along with any comments that the administration might deem desirable to the Executive Committee simultaneously with the external auditor's audit report, for review and response (if appropriate) by the Executive Committee. The process of submission and review of the external auditors' audit reports and management letters of the several entities by the Executive Committee shall be governed by the assigned responsibilities and limitations upon authority described in SBC Bylaw 18 E and its subparagraphs (6), (7), (9), and (12).

When securities are placed for holding with a trustee (i.e. bank, trust company, foundation, etc.), a certified statement from such trustee should be made to the external auditor and be made a part of the annual external auditor's audit report or submitted as a supplement to the report.

B. *Printing of Reports* - The financial report of each entity and of the Executive Committee shall be printed in the Convention *Book of Reports*, or the Convention *Annual*, and shall contain the following six items, the first five of which come from its latest annual audit report:

1. Statement of Financial Position
2. Statement of Activities (revenues, expenses, and other changes in net assets)
3. Statement of Cash Flows
4. Classified list of investments by fund and type of investment
5. Receipts by states of contributions. These should show:
 - a. Cooperative Program receipts received through the Executive Committee
 - b. Designated receipts received through the Executive Committee
 - c. Gifts not received through the Executive Committee
6. A statement executed by the chair of the entity's board attesting that the board's officers confirm the following fiscal conditions exist:
 - a. The expenses and perquisites of the president are not excessive and are in keeping with biblical stewardship, including every emolument and personal benefit of any kind (and specifically including housing, travel, automobile(s), and personal assistants) all valued at market rates.
 - b. All corporate expenses are reasonable and incurred to accomplish the entity's *Organization Manual* mission statement, *Organization Manual* ministry assignments, and any other responsibilities previously approved by the messengers of the Southern Baptist Convention and still in force.
 - c. All corporate expenses are incurred by the administration in a manner that reflects integrity and avoids appearances of impropriety while upholding a positive Christian witness to the Convention and beyond.

LifeWay Christian Resources shall include in its annual report to the Convention information on the amount of funds transferred to state conventions during the preceding year.

At the end of the presentation of entity financial data in each SBC *Book of Reports*, a statement shall be inserted which discloses that the entities have all supplied (or naming which have and which have not, if some have not) the statement required by Article XIII B 6, above, and setting forth the elements thereof, in order that the messengers and the Convention's affiliated churches may be annually reassured that those fiscal conditions set forth are continuing to be maintained by the Convention's entities.

XIV. Safeguarding of Funds: All persons who transfer or safeguard funds or securities of the Convention or any entity of the Convention shall be bonded in an amount sufficient to protect against loss of the funds or securities involved. Such bonds may be reviewed and approved by the Convention or its Executive Committee.

Members of cooperating Southern Baptist churches shall have access to information from the records of Southern Baptist Convention entities regarding income, expenditures, debts, reserves, operating balances, and salary structures.

The securities of all Convention entities shall be held and maintained in a prudent manner, including under such internal controls as may be recommended in the entity's annual audit.

XV. New Enterprises: No new enterprise involving expenditure of money shall be authorized by the Convention except upon favorable action by the Convention in two (2) succeeding annual meetings; provided, however, that this restriction shall not apply to a recommendation of any entity of the Convention concerning its own work. In the event any new hospital propositions are made, they must be considered as new enterprises of the Convention, whether money is involved at the time of the acquiring of such property or not, and must be presented to two (2) succeeding annual sessions of the Convention.

XVI. Appropriations by the Entities: No entity shall make any appropriation to any cause or for any purpose other than for the promotion of its own work except by the approval or upon the instruction of the Convention or of the Executive Committee.

LifeWay Christian Resources shall be required to transfer funds to the Southern Baptist Convention each year to be used as the Convention determines. LifeWay Christian Resources shall not be permitted or required to transfer funds to other Southern Baptist Convention entities or committees.

XVII. Business Procedure: Entity boards of trustees should oversee the operations of the entity in such a manner as will assure effective and ethical management. Disclosures of the entity's relationship with other entities, its activities, liabilities, commitments, and results of operations should be accurate and complete and include all material information. The entity should not make any loan from funds of the entity to a trustee. The entity should not make any loan from funds of the entity to an officer or employee without having first obtained the approval of its board (or its delegated subcommittee) after disclosure of all relevant details. Employees and trustees should not appropriate for personal advantage any corporate property or business opportunities which should be enjoyed by the entity.

As a normal operating policy, each entity of the Southern Baptist Convention shall refrain from entering any business transaction with a trustee or employee, or a business enterprise in which a trustee or employee has an interest. An exception to this policy may be made, at the discretion of the board of trustees, in any case wherein it appears that a commodity or service is unavailable on a more favorable basis from any other source, or a commodity or service, at the discretion of the board, is found to be in the best interest of the entity. Competitive bids should be taken if possible. In any case being considered for exception, the extent of the trustee's or employee's interest shall be disclosed to the entire board.

XVIII. Professional Services: The Executive Committee at its discretion may employ an auditor to study the audited report with the auditors of the entities in the light of Convention instructions.

The Executive Committee at its discretion may employ an engineer or architect to study proposed capital projects or maintenance of present capital assets.

XIX. Film, Publication, and Merchandising Policy: All entities of the Convention should utilize the services of LifeWay Christian Resources to the maximum feasible extent for editing, publishing, and distributing printed materials, films, filmstrips, recordings, and other materials that are to be sold.

LifeWay Christian Resources should continue to pay royalties to entities that originate materials, as to other publishers. Entities that originate materials should have the option of having them published by LifeWay Christian Resources or by other publishers. Entities should be authorized to publish in their own names periodicals that promote their own work, books, and manuals dealing with principles and methods of programs for which they are responsible, materials subject to early obsolescence, and other materials for free distribution. Entities other than LifeWay Christian Resources that find it necessary to establish editing services and to contract for printing services should do so only to meet their own requirements unless specifically authorized by the Convention to provide such services to other entities.

A. All entities should distribute through the book stores of LifeWay Christian Resources the materials that are to be sold, with the exception that periodicals and other materials subject to early and/or frequent obsolescence may be distributed from their own principal offices. No entity other than LifeWay Christian

Resources should be authorized to operate book stores or other retail or wholesale outlets at any location other than its principal office.

The Executive Committee of the Southern Baptist Convention should review periodically the financial agreements entered into by LifeWay Christian Resources and other Convention entities and should, whenever appropriate, recommend changes in Convention policies and revisions of existing policies related to such agreements. At the request of any Convention entity, this committee should also suggest to LifeWay Christian Resources and other Convention entities steps that they should take to resolve any disagreements that arise concerning financial agreements.

- B. The North American Mission Board should be designated and recognized as the sole producer and distributor of films for television consistent with its statement of Ministry Relationships. It is understood that the North American Mission Board may use for television other films, at its own discretion, produced by other entities.
 - C. LifeWay Christian Resources should make available any films which it produces for use by the churches to the North American Mission Board for use in television without charge, except print cost, and the North American Mission Board should provide for distribution by LifeWay Christian Resources to the churches any films which it produces for radio and television without charge, except print cost. The North American Mission Board may also use film produced by other entities of the Convention for distribution to the churches without charge, except print cost, if such film is to be used in television.
 - D. Any entity producing films of any type should notify other entities regularly producing films of the content and purpose of the film while in the planning stages in order that duplication may be avoided.
 - E. No entity shall launch a new periodical for general distribution to the churches or to members of the churches without first outlining the purpose of the periodical and obtaining the approval of the Convention or its Executive Committee. This shall not apply to curriculum materials published for use by church program organizations.
 - F. The North American Mission Board shall offer records or tapes it has produced for radio and television use to LifeWay Christian Resources on consignment, or some other basis mutually agreeable to both parties, for sale in the book stores or through record clubs. The North American Mission Board shall be authorized to offer to listeners recordings it has produced for radio and television use and which are not selected by LifeWay Christian Resources. The North American Mission Board shall be authorized to make use of records and tapes returned by LifeWay Christian Resources in audience building.
- XX. Publications:** The plans and methods herein set forth shall be published each year in the Convention *Annual*, following the Bylaws of the Convention.
- XXI. Amendments:** This Business and Financial Plan may be amended by two-thirds of the messengers present and voting at any time except during the last session of the Convention.

***LEGAL NAMES OF CORPORATIONS RELATED TO THE
SOUTHERN BAPTIST CONVENTION***

The Executive Committee of the Southern Baptist Convention
901 Commerce Street, Nashville, TN 37203-3699

The International Mission Board of the Southern Baptist Convention
P. O. Box 6767, Richmond, VA 23230-0767
3806 Monument Avenue, Richmond, VA 23230

The North American Mission Board of the Southern Baptist Convention, Inc.
4200 North Point Parkway, Alpharetta, GA 30022

LifeWay Christian Resources of the Southern Baptist Convention
One LifeWay Plaza, Nashville, TN 37234

GuideStone Financial Resources of the Southern Baptist Convention
2401 Cedar Springs Road, Dallas, TX 75201

The Southern Baptist Theological Seminary
2825 Lexington Road, Louisville, KY 40280

The Southwestern Baptist Theological Seminary
P. O. Box 22000, Fort Worth, TX 76122
2001 W. Seminary Drive, Fort Worth, TX 76115

New Orleans Baptist Theological Seminary
3939 Gentilly Boulevard, New Orleans, LA 70126

Golden Gate Baptist Theological Seminary
201 Seminary Drive, Mill Valley, CA 94941

The Southeastern Baptist Theological Seminary, Inc.
P.O. Box 1889, Wake Forest, NC 27587
120 South Wingate Street, Wake Forest, NC 27587

Midwestern Baptist Theological Seminary, Inc.
5001 North Oak Trafficway, Kansas City, MO 64118

The Ethics and Religious Liberty Commission of the Southern Baptist Convention
901 Commerce Street, Suite 550, Nashville, TN 37203-3696

Woman's Missionary Union, Auxiliary to Southern Baptist Convention
P. O. Box 830010, Birmingham, AL 35283-0010
100 Missionary Ridge, Birmingham, AL 35242

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